



CITY OF
PORTLAND, OREGON

**OFFICIAL
 MINUTES**

A REGULAR MEETING OF THE COUNCIL OF THE CITY OF PORTLAND, OREGON WAS HELD THIS **30TH DAY OF DECEMBER, 2015** AT 9:30 A.M.

THOSE PRESENT WERE: Mayor Hales, Presiding; Commissioners Fritz, Novick and Saltzman, 4.

Commissioner Saltzman arrived at 9:33 a.m.

OFFICERS IN ATTENDANCE: Karla Moore-Love, Clerk of the Council; Ben Walters, Chief Deputy City Attorney; and Jason King, Sergeant at Arms.

Item Nos. 1343 and 1349 were pulled for discussion and on a Y-4 roll call, the balance of the Consent Agenda was adopted.

	Disposition:
COMMUNICATIONS	
1341 Request of Kirsten Davis to address Council regarding homelessness in Portland (Communication)	PLACED ON FILE
CONSENT AGENDA – NO DISCUSSION	
Mayor Charlie Hales	
Bureau of Planning & Sustainability	
1342 Update 2035 Comprehensive Plan Community Involvement Program and amend bylaws to simplify membership and processes of the Community Involvement Committee (Ordinance; amend Ordinance No. 184047)	PASSED TO SECOND READING JANUARY 6, 2016 AT 9:30 AM
Bureau of Police	
*1343 Authorize settlement between Oregon AFSCME, Local 189, and the City of Portland through its Portland Police Bureau regarding employment claims (Ordinance)	REFERRED TO COMMISSIONER OF FINANCE AND ADMINISTRATION
Office of Management and Finance	
*1344 Pay claim of Patricia O'Donovan in the sum of \$27,505 involving Water Bureau (Ordinance) (Y-4)	187523

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<p>*1345 Pay claim of Maya Kleber-Rose in the amount of \$28,262 involving the Bureau of Development Services (Ordinance) (Y-4)</p>	<p>187524</p>
<p>1346 Issue a revocable permit allowing Wimactel, Inc. to install, maintain and operate public telephones on City streets for a period of five years (Ordinance)</p>	<p>PASSED TO SECOND READING JANUARY 6, 2016 AT 9:30 AM</p>
<p>Commissioner Amanda Fritz Position No. 1 Office of Neighborhood Involvement</p> <p>*1347 Authorize grant agreement of \$12,000 for East Portland Neighbors, Inc. to administer the newsletter production of East Portland Neighborhood Association News (Ordinance) (Y-4)</p>	<p>187525</p>
<p>Commissioner Nick Fish Position No. 2 Water Bureau</p> <p>1348 Authorize the Water Bureau to enter into a Multi Funded Research Agreement with the Water Research Foundation, Seattle Public Utilities, and Confluence Engineering, Inc. for a Tailored Collaboration on the effectiveness of flushing on water quality not to exceed \$50,000 (Second Reading Agenda 1318) (Y-4)</p>	<p>187526</p>
<p>City Auditor Mary Hull Caballero</p> <p>1349 Approve Council Minutes for January-July 2015 (Report) Motion to accept the report: Moved by Novick and seconded by Saltzman. (Y-4)</p>	<p>APPROVED</p>
<p>REGULAR AGENDA</p> <p>Mayor Charlie Hales Office of Management and Finance</p> <p>1350 Authorize a participating agreement with U.S. Bank National Association for fleet credit card services for fuel for a not to exceed amount of \$4,250,000 for five years (Procurement Report – Bid No. 00000180)</p>	<p>CONTINUED TO JANUARY 13, 2016 AT 9:30 AM</p>

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<p>*1351 Authorize contract with 2KG Contractors, Inc. for \$832,000 for the Walter's Hill Radio Site Upgrade (Ordinance; Bid No. 00000107) (Y-4)</p>	<p>187527</p>
<p>*1352 Increase contract with SAP Public Services, Inc. in the amount of \$556,548 for a total not-to-exceed amount of \$7,008,088 to acquire software licenses and maintenance services for the City enterprise business system (Ordinance; amend Contract No. 36718) (Y-4)</p>	<p>187528</p>
<p>Commissioner Steve Novick Position No. 4 Bureau of Transportation</p> <p>1353 Authorize the Bureau of Transportation to acquire certain permanent and temporary rights necessary for construction of the NE Glisan St and NE 90th Ave Bridge Replacement project, through the exercise of the City's Eminent Domain Authority (Ordinance)</p>	<p>PASSED TO SECOND READING JANUARY 6, 2016 AT 9:30 AM</p>
<p>1354 Approve hourly rate increase for on-street parking in the Downtown Meter District to better manage parking and provide a more safe and reliable parking system; to be implemented after the 2015 holiday shopping season (Second Reading Agenda 1340; amend Policy TRN-3.450) (Y-4)</p>	<p>187529</p>
<p>1355 Assess benefited properties for street, sidewalk and stormwater improvements in the NE 52nd Ave and Alberta St Local Improvement District (Second Reading Agenda 1324; C-10045) (Y-4)</p>	<p>187530</p>
<p>1356 Authorize a competitive solicitation for the purchase of Security Services for SmartPark Garages and the Portland Streetcar Facility at an estimated amount of \$4,000,000 (Second Reading Agenda 1325) (Y-4)</p>	<p>187531</p>
<p>1357 Extend contract with Central Parking System of Washington, Inc. through March 31,2017 with an administrative option to extend one additional year through March 31, 2018 to manage and maintain six SmartPark Parking Garages (Second Reading Agenda 1326; amend Contract No. 30001972) (Y-4)</p>	<p>187532</p>
<p>Commissioner Amanda Fritz Position No. 1 Portland Parks & Recreation</p>	

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<p>*1358 Authorize twenty-four contracts, eight with architectural firms, eight with landscape architectural firms, and eight with civil engineering firms, for services on an as-needed basis, for a total not-to-exceed amount of \$250,000 per contract (Ordinance) (Y-4)</p>	<p>187533</p>
<p>Commissioner Dan Saltzman Position No. 3 Portland Fire & Rescue</p> <p>*1359 Authorize the restoration of Kelly Days to Portland Fire & Rescue Deputy Chiefs in the Emergency Operations Division (Ordinance) (Y-4)</p>	<p>187534</p>
<p>Portland Housing Bureau</p> <p>1360 Establish annual sale price cap for the Homebuyer Opportunity Limited Tax Exemption Program (Resolution) (Y-4)</p>	<p>37176</p>

At 10:27 a.m., Council adjourned.

MARY HULL CABALLERO
Auditor of the City of Portland



By Karla Moore-Love
Clerk of the Council

For a discussion of agenda items, please consult the following Closed Caption File.

<p><u>WEDNESDAY, 2:00 PM, DECEMBER 30, 2015</u></p> <p>DUE TO LACK OF AN AGENDA THERE WAS NO MEETING</p>	
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Closed Caption File of Portland City Council Meeting

This file was produced through the closed captioning process for the televised City Council broadcast and should not be considered a verbatim transcript.

Key: ***** means unidentified speaker.

DECEMBER 30, 2015 9:30 AM

Hales: Are we ready? Good morning everyone. Welcome to the December 30th meeting of the Portland city council. Please call the roll. [roll call]

Novick: Here **Fritz:** Here **Fish:** **Saltzman:** Late arv at 9:33 **Hales:** Here

Hales: Good morning everyone. We have a relatively brief agenda today and I think we're going to have commissioner Saltzman because we do have emergency items on it. Before we move to communications, we have two items being pulled from consent that I know of. 1343 and 1349. Any others? Okay. Let's move to communications, please, item 1341.

Item 1341.

Hales: Ms. Davis, come on up, please. Good morning.

Kirstin Davis: Good morning. This will be a thoroughly truncated version to what you have before you. I will just read part of it and kind of summarize part of it. As you know, Portland and many other places are in a state of emergency regarding housing and homelessness. Which is at least in part is a result of the corporatization of our society and concentration of wealth in the top one percent. Too many corporations pay their employees less than a living wage, send jobs overseas, don't contribute their fair share of taxes to our society and all after using our public coffers for their infrastructure needs. As more and more ordinary hard working people find it impossible to pay the exorbitant rents in our city, I predict the homelessness problem will grow and intensify, tragic result of national policy. There are a few measures that I feel Portland can take and you may already be considering some of these. Ongoing city policy whereby rental buildings of more than 10 units are required ongoingly to reserve 30% of their units as being affordable housing. And, you know, this can be subsidized with taxes on things like take-out meals or other nonessential goods. I would also like to see a high tax rate on developers building outsized mcmansion type homes, because they just drive up the prices of homes in the city. And, you know, if that 25,000 demolition tax can be reconfigured, that could also help to go towards affordable housing. The other thing I would love to see Portland do, Oregon, and Texas are the only two states that do not allow inclusionary zoning. And I would really like to see that ban repealed. If you could -- I know it is not necessarily your purview, but if you can, you know, put pressure on the state legislature to please, you know, repeal that ban, I think it can really help, you know, these different measures I think can help a great deal. You know, in general, I think we need to do everything we can to make this country work for the average person and to reclaim it from the greed of the corporations and the developers who are using it for their own ends without regards for the consequences to the larger community. The only real answer that I see intelligent policy overall. I guess my final request of you is that you use your position of power to require any corporate entity that comes to Portland looking for opportunity that they pay a truly fair share of taxes, living wages and pull benefits for all employees and they pay for their own infrastructure needs. Do not expect the taxpayers to pay for that for them. And to respect the rights of humans and the larger environment. If they want to come here and take advantage of the community, we really don't want them here and anything less than maintaining these values will result in the

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many tents we see outside and many more homeless people we don't see living in their cars or doubling up with relatives. So, thank you.

Hales: Thank you, thank you very much. Appreciate. Keep up your advocacy, please, as a citizen. Legislators might listen you to us but especially might also listen to you.

Fritz: Commissioner Saltzman and the mayor, a lot of time down in Salem. Mayor says it will be on our agenda for the short session. If you can become connected with the advocacy groups and help put pressure on your legislators as well as others that would be helpful.

Davis: I will do that. Thank you.

Hales: Thanks very much. Thanks for coming.

Hales: Okay. We have no other communications items this morning. Let's go to consent. We have two items pulled. Any others? Let's take a vote please on the balance of the consent calendar.

Novick: Aye. **Fritz:** Aye. **Saltzman:** Aye.

Hales: Aye. Okay. Why don't we go ahead and take those now. Item 1343, just need to read it.

Item 1343.

Hales: There is no objection, this needs more work. I will refer it back to my office. [gavel pounded].

Hales: Item 1449 pulled for testimony.

Item 1349.

Hales: Lightning, did you want to speak on this? Come on up, please. Good morning.

Lightning: Good morning. My name is lightning, I represent lightning watchdog pdx. One of the reasons why I pulled this item is that I wanted to have a clear understanding on how long these minutes are retained. I know in some states, they retain the records for one to possibly three years. And I wanted to make sure that we retain these indefinitely and that they're put in the archives. Another issue that I wanted to have an understanding is on the video itself. A lot of times we have meetings that are set and we miss another meeting, say happening at another location, such as a lot of times I want to go to Portland planning and sustainability meetings, and my understanding they don't do videotape and I would like to know what the requirements are if we can have video so when we're having meetings at one location, we can also go back at the end of the day and take a look at the video of the meeting at another location. I wanted to know what the requirements would be to have video. Another issue, I want to have a more clear understanding on the open meeting law as far as pertaining to special committees, neighborhood associations, various other groups that are set up. I want to have access to their minutes if it falls under the open meeting law, and I would like to be able to review what they're doing at these special committees, and have more access to the information. So, again, why I pulled this is just to have an understanding on the minutes on the retaining of minutes for longevity in the archives, and also having access to more video at several other locations so I don't miss those meetings.

Hales: Good questions. I think the auditor's office can answer some of the questions that I can't answer. Maybe other members of the council have answers to some of them. Retention issue, you think it is in effect indefinite, right, going to the archives?

Moore-Love: That's correct. Permanent.

Fritz: And the reason that we have the written minutes is that the videos are not permanent and the reason for that is because videos change we don't all have beta or vhs and some point. They won't have the formats that we have now.

Lightning: Thank you.

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Fritz: The other questions that you asked, lightning, I was under the understanding that the planning and sustainability commission is videotaped and broadcast. It used to be. Commissioner Leonard had it started when I was on it to keep an eye on me.

Lightning: I will double-check on that and contact the auditor --

Fritz: Not all commission meetings are because of the expense and difficulty of having Portland community media crews at all of the meetings.

Hales: They are on Channel 30 --

Lightning: My only question to that, if it is considered under the open meetings law to be a quorum and have enough commissioners present, minutes have to be taken under the law. Plain and simple.

Fritz: But they don't have to be videotaped. And the answer to the neighborhood association minutes, yes, those are required to be available to the public and you can check with the office of neighborhood involvement to find out how to get those.

Lightning: Very good. Thank you.

Hales: Good morning.

Joe Walsh: My name is Joe Walsh, representing individuals for justice. We are here today to support Mr. Lightning's position and also we have a concern that I'm sure you're aware that the state of Oregon got an F from the organizations that grade transparency. An F. Including Portland. So, when we do these type things and you put them on consent agenda, and you deprive your citizens of the discussion you just had, explaining some things, if you look at the title of this item, there is no way to understand what it is. It's just the minutes for a couple of months or three months or four months. No in-depth conversation that you just had. And that's our suggestion that you do not put this stuff on consent agenda. Consent agenda should be paying bills. They should be very regular things. They should be noncontroversial stuff or non-informational stuff. This stuff is important. This is the minutes of the meetings. And it takes a little bit of explanation for the viewers to see it on tv, to figure out what you're talking about. For those who come here often, maybe we understand it. But if somebody is watching this on television and reads that title, they don't have a clue of what you're doing. And that's your problem. You need to tell the people of the city what you're doing a lot. Thank you.

Hales: Thank you. Thank you both.

Hales: Okay. This is a report. Is there a motion to approve it?

Novick: So moved.

Saltzman: Second.

Hales: Further discussion. Roll call, adopting the report and approving the minutes for the six months.

Novick: Aye.

Fritz: Very much appreciate the discussion and the reason we have a consent agenda that is published so that if anybody has questions they can pull it at any time. If there is nothing controversial, it can continue to go through. I continue to be concerned about adopting six months' worth of minutes at once. I know that the city auditor's office and council clerk's office is greatly understaffed and this is, I appreciate the diligence in getting it done. When I was first on the council, we were approved minutes from years past, never mind months' past. I would certainly support more staffing for the council clerk's office so that we could have the minutes approved every month rather than every six months. My staff doesn't have the capacity to go through all of the minutes and with my accent, sometimes things are not quite what I said. I can't remember what I actually said quite sometime later. So, I - I acknowledge that it is a staffing issue, and just want to call that to the council's attention. I agree with Mr. Walsh that it is a transparency issue and if we could have more timely minutes for those not able to watch a video or to look through the e-files, I think that

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would be helpful for citizens if we had summary minutes as well as verbatim minutes. Thank you for your work in the council clerk's office and aye.

Saltzman: Aye.

Hales: Aye. [gavel pounded]

Hales: Let's move on to regular calendar, please. Item 1350.

Item 1350.

Hales: Good morning.

Barbara Gibson, Procurement Services: Good morning. Good morning, mayor, council. Procurement manager. Today you have before you the chief procurement officer's report recommending the contract award to u.s. Bank national association for the fleet credit card services on behalf of the bureau of internal and business services -- the contract cost is based on the purchase of approximately 250,000 gallons of motor fuel for Portland vehicles, for a total not to exceed \$850,000 per year, or \$4,250,000 for the five-year agreement. In accordance with city code, city is able to participate in the cooperative procurements without requiring additional competition for establishing price agreements for the purchase of goods and services. Under this authority, the contracting agency listed the must use the source selection method that is substantially equivalent to that of the city. The western states contracting alliance competitively solicited this agreement. The state of Oregon issued a corresponding participating agreement allowing the municipalities to utilize the agreement as required by city code. The city publicly noticed its intent to utilize this agreement on November 24th, 2015, and no comments were received. Don De Piero from City fleet is here to answer any technical questions that you may have. If not, I will turn this back to council for any questions regarding this solicitation process.

Hales: So, a couple of questions how this works. So, this is a not-to-exceed contract, total of \$850,000 a year. That's mostly for the cost of the fuel itself, right? And then u.s. Bank is going to charge us a fee presumably for the use of the credit card. Is that built into this agreement or --

Don De Piero, City Fleet: I don't know that for sure, mr. Mayor. I could check on that and find out for you.

Hales: And the -- presumably if this was competitively bid from multiple jurisdictions, they got the best deal they could from the bank in terms of how much of a fee we will be charged for the transactions. Other questions?

Fritz: Thank you. What's the price of fuel at commercial stations compared with city-owned fuel tanks?

De Piero: On regular basis, around 25 cents per gallon cheaper than what you can get at a regular retail fueling station. And we don't pay road tax from the very beginning. So it is actually very substantially discounted when we get it.

Hales: State or federal? We don't pay state or federal gas tax?

De Piero: Federal tax we do pay, but not the state.

Hales: Okay.

Fritz: Which bureaus use the cars and how much?

De Piero: There is -- the two primary bureaus, police and fire bureau. There are a couple of other cards out there, such as government relations has some cards, but that is primarily the main people that take advantage of the card.

Fritz: We have 10 fueling stations citywide, is that correct?

De Piero: Presently we have nine, in the process of putting number 10 in place right now.

Fritz: We don't have one on the west side. Nine on the east side, is that correct?

De Piero: That's correct.

Fritz: Thank you. What are the accountability mechanisms to make sure that the use of the cards is minimized?

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De Piero: All of these cards are actually attached to a vehicle. They aren't attached to a person. So, the card is part of the vehicle, I guess you would say, when the vehicle is issued, we issue a card with it. It is really up to the bureau as far as the monitoring and regulating the actual usage of the card, but that card is for that specific vehicle. And when they go to the fuel pumps, they have to enter in mileage and other information to obtain their fuel from it.

Fritz: And they pay the price minus the road tax of that particular station, right?

De Piero: That's correct.

Fritz: Is there any incentive for a driver to find the cheapest gas in the area rather than the one that happens to be the most convenient?

De Piero: No, there really isn't. A lot of the retail fuel stations accept the card and whoever accepts it is where they're allowed to go presently.

Fritz: I realize I voted for putting out this procurement and I appreciate your diligence in putting it out. Mayor, I think this might be an opportunity to save money without cutting jobs. If we're paying 25% more for fuel at a commercial station, we're subsidizing the gas companies rather than utilizing our own fuel, I am wondering if we could set this over for a week or so because I would really like to put in at the same time some accountability mechanisms and perhaps even reduce the amount to encourage, for instance, the fire bureau to take the time to go to the city fueling station, which is way cheaper, and then otherwise to make sure that the cars that are using this are finding the cheapest gassing station, which, you know, I think most of us do that. We know our area. We know where the cheap gas is. On the other hand, you sometimes run out and get it from a more expensive one. If I had a credit card that wasn't going to come back and bite me, I probably wouldn't put so much effort into making sure that the fuel i'm getting is the most cost effective.

Hales: I'm certainly open to taking more time and making sure that we minimize the use, aside from the fact under the climate action plan, I hope we significantly reduce our use of gasoline motor fuel overall anyway, and we will purchase, I hope, more electric vehicles this year and keep shifting the fleet away from fossil fuel. But, you're right. In terms of using this versus going a few extra blocks to get to a fueling station, I think we ought to build in strong incentives and controls into the system to get people to do the economical thing rather than the convenient think wherever feasible. I'm not sure we're there yet either. Unless there is some operational reason why January 1 is going to come and life as we know it will end if we don't do this -- okay. Anyone else have any comments or questions? Great. Thank you both very much. Unless there is anybody who wants to testify on this, I will plan on setting it over. So, let's set this over to our second reading in January. Do you want to do that?

Fritz: Report, isn't a second reading.

Hales: Just set it over for two weeks.

Fritz: Please.

Hales: Does that work? Okay. We will continue this item for two weeks and bring it back on the regular agenda then. [gavel pounded]

Fritz: Thank you.

Hales: 1351.

Item 1351.

Hales: This is a long-awaited little project.

Barbara Gibson: Good morning, mayor, council, barb Gibson again. Today you have the chief procurement officer's report before you. Recommending an award 2kg contractors incorporated for the walter's hill radio site upgrade project. Construction contract based on the bids received, \$832,000. Original engineer's construction estimate was \$450. In

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august, city issued an invitation to bid 107 from the previously noted project. In October, two bids were received. 2kg contractors was deemed responsive to the bid requirements of the solicitation, and they have identified 35% of the subcontracting dollars going to minority, women-owned and emerging small businesses. Jeff is here with me to answer any technical questions that you may have about the project. If not, i'll turn it back to you.

Hales: Questions? Okay. Maybe you get off easy on this one. That's the whole point. Thank you. Anyone that wants to speak on this item? If not, let's take a roll call vote, please.

Novick: Aye.

Fritz: I know this has been a somewhat controversial project in Gresham. I'm glad to see it coming to fruition because it is really important for our emergency communications, aye.

Saltzman: Yes, I am, too, glad we were able to come to the agreement with city of Gresham who had some concerns about this. Good work. Aye.

Hales: Well, Jeff, thank you, and Fred miller and others that worked so hard to get this to a non-event where we have got agencies working together cooperatively to make sure that we have a safe and effective radio system and we have peace in the larger community in terms of the local impacts of what we have to do to make the system work. Fact this is a non-events, doesn't mean there was not a great deal of effective work done and I want to say thank you for that. Aye. [gavel pounded]

Hales: Okay. 1352.

Item 1352.

Hales: Good morning. How are you?

Satish Nath, Office of Management and Finance: Good morning. Mayor, and good morning councilmembers. Enterprise business solutions manager, and i'm here to comment on the specific contract amendment. In 2006 city entered into a 10-year contract sap America contract supports the implementation -- financials, asset management solutions. Completed in 2009, implemented about 57% of the software. Since 2009, enterprise business solutions, continue to stabilize the solutions and some of the remaining -- today we have increased the percentage from 57 to 71% of what was purchased. Increasing the use also requires increasing the licenses with sap. And in this contract amendment, i'm requesting additional funds to be in compliance with sap licenses. And i'm here to answer any questions.

Hales: Where does that additional funding come from?

Nath: Internal service rates

Hales: Out of rates from all of the bureaus.

Hales: Other questions? Thank you very much.

Nath: Thank you.

Hales: Anyone want to speak on this item? Let's take a vote, please.

Novick: Aye. **Fritz:** Aye. **Saltzman:** Aye.

Hales: Thank you very much. Aye. [gavel pounded]

Hales: 1353.

Item 1353.

Hales: Commissioner novick.

Novick: Proposed bridge replacement project will demolish the existing bridge structure -- pbob has been in communication with the relevant property owner, church, and their support of the project. Compensated for the slope easement and temporary construction easement.

Marty Maloney, Portland Bureau of Transportation: Good morning, mayor and commissioners. My name is Marty Maloney, pbob right of way. Commissioner novick did a wonderful job of explaining the ordinance. I guess I just wanted to reiterate that having

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spoken to the property owner, and property owner's representative and they understand the project and the need for the right of way acquisition and so really other than that, I can turn it back over to council and if you have any other questions --

Hales: I'm having trouble visualizing this. Northeast 90th and glisan, a bridge --

Maloney: You can't actually see it when you are coming up to it.

Hales: I missed it.

Maloney: I asked bridges and structures the same thing. When you go out there, you go by it real quick. If you are down on the property owner's property, you can actually see it. And really all they're doing, it is an old bridge they're infilling.

Hales: This is a local stream course or something underneath it.

Maloney: Yeah, it is real small.

Hales: Six blocks from i-205.

Maloney: And you can't see it at all.

Hales: I have lived in the city for 35 years and managed to miss it. Learn something new every day. Other questions? Thank you very much.

Maloney: Thank you.

Hales: And is there anyone who wants to speak on this item? If not, it passes to second reading. [gavel pounded].

Hales: 1354.

Item 1354.

Hales: Second reading, roll call.

Novick: Colleagues, I wasn't here, but it is my understanding that the last time the council approved a meter rate increase, it was somewhat controversial. This time, thanks to the work of pbots staff and our stakeholder group, we have an almost unanimous recommendation from the stakeholder group for the rate increase and they did such good work that nobody testified against that proposal last week. I want to thank Malisa and Judith of pbots in particular, and of my staff -- the stakeholder subcommittee member who took time out of their day to testify at the first reading. I want to say that one thing I'm particularly pleased about here is that we have restored the appropriate balance between the cost of on-street parking and garage parking. One of the reasons I asked for the transportation bureau, a few years ago, was when I read Tom Vanderbilt's book -- he made traffic management sound fascinating. One piece of traffic management is parking management. And pointing out following up on the research of Donald Schuppe, a lot of urban traffic consists of people circling the block looking for a place to park. We should do what we can to minimize it. Our policies have actually been encouraging that in the past few years. Certain time periods, it is cheaper for people to park on the street than park in our garages. Some people have an economic incentive to circle around looking for a place to park on the street. Obviously from a traffic management perspective, better off getting people off of the street and into the garages. What this proposal will do restore the appropriate balance, make it somewhat more expensive to park on the street than to park in the garage. Proper incentive to get people off of the street. That is my particular nerdy reason to be excited about this particular rate increase. Thank you very much to everybody again. Aye.

Fritz: Thank you very much, commissioner Novick. I was here in 2009 when we last increased the parking rates. Doing it now is quite sometime later. And seems reasonable, and it was very controversial in part because of the beginning of the recession and it was very hard for everybody to be able to manage. I particularly appreciate with this proposal, with this change that there is also a stated plan to look at providing garage parking for evening workers in the retail and custodial care industries. And, so, that's something that I'm personally interested in, and also I believe is important component of this. It does come

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with a favorable recommendation from the Portland business alliance and downtown retailers with the stipulation that we continue funding the downtown marketing initiative. And, so, that's something that I am aware of and very pleased that they have continued -- that they support this raise and we do want to keep our downtown a vibrant and active place, and I think this -- these regulations will do that. Thank you commissioner novick. Aye.

Saltzman: I appreciate all of the good work that has gone into this proposal. And it was evidenced by nobody testifying against this and I am glad to understand and learn that there will be more 90-minute meters replacing one-hour meters. I think that is a step in the right direction and also that the meters terminate at 7:00 p.m. I think that is very important for, as we have talked about, for people who work downtown in the evenings. I think keeping 7:00 p.m. is a good hard time to make the parking meters free. Thank you, aye.

Hales: Yeah, great work. Times when we have to increase taxes or fees when it is not consensual. But this time you reached an amazing level of consensus. And that is an impressive piece of work. Thank you for bringing a good idea forward in a very untroubling way. Aye. 1355.

Item 1355.

Hales: Roll call, please.

Novick: Aye. **Fritz:** Aye. **Saltzman:** Aye. **Hales:** Aye. [gavel pounded]

Hales: And 1356.

Item 1356.

Hales: Roll call, please.

Novick: Aye. **Fritz:** Aye. **Saltzman:** Aye. **Hales:** Aye. [gavel pounded]

Hales: And 1357.

Item 1357.

Hales: Roll call vote, please.

Novick: Aye. **Fritz:** Aye. **Saltzman:** Aye. **Hales:** Aye. [gavel pounded]

Hales: And 1358.

Item 1358.

Hales: Commissioner Fritz.

Fritz: Thank you, mayor. Mary ann Cassin.

Mary Ann Cassin, Parks & Recreation: Good morning, mayor hales and members of the council. My name is mary ann cassin, manager of the parks replacement bond program and I hope you agree with me that I have more good news today. Bringing forward 24 contracts. We started to work on this in July. It was a competitive process, and we did a lot of outreach to get to this point. The concentration areas are in civil engineering, landscape, architecture and architecture. The total amount for each contract is \$250,000. But it will be divided up into smaller task orders and will get us through the next three years. As you know, seven focus areas within the bond. But this will work on all of them. And this diagram shows you the rollout for all of the projects and I circled the ones where we hoped to use the on-call contracts. Obviously a lot of them are over this -- smaller contracts, large proportion of the contracts will continue to be in the rfp program. Where necessary, we will love the flexibility to use the smaller contracts and get them on board quickly and efficiently. The smaller consultants like the system as well that we have been told they spend as much as \$10,000 putting rfps together. To have this all up front saves them and us time and money. The use of these projects, of these contracts will not be limited to the bond. They will be used for ongoing cip projects. Currently 212 projects on the list. Other staff that are involved in construction, oversight, planning, etc., will also have access to these contracts --

Fritz: Cip stands for capital improvement projects.

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Cassin: Thank you, sorry. This is just one page of the five-page list of ongoing capital improvement projects that are in the works right now. It will also enable us to act quickly when there are partnership or emergency situations where we need to get consultants going quickly. When it comes to minority, women, emerging small business -- we worked extra hard. Our outreach included two in-person events at owame, one at namco, the contracting board, partners in diversity and we contacted all of the chambers of commerce -- strategic plan with the help of folks at procurement -- about what is the best way to get the words out. We took a little extra time to put the process together and get as diverse of a pool as we could. I have the numbers parsed a million different ways. Overall utilization is 54%. The best representation is in the field of architecture where we have 75%, and civil engineering is at 30%. Finally, you will be seeing more of me in the months to come. These are the rfps on the horizon in the next couple of months, including the ones for the maintenance facilities. Ventura Park, pioneer courthouse square we still need a cmg fee for that. Can I answer any questions?

Hales: Questions? Great presentation. Thank you very much.

Cassin: Thank you.

Hales: Anyone want to speak on this item? If not, let's take a vote, please.

Novick: Aye.

Fritz: I'm tremendously honored and proud to be part of implementing the bond measure that the generous taxpayers of Portland passed last year, and the team at parks. Particularly proud that we're putting our money where our mouths are in terms of equity and involvement of minorities, women, and emerging small businesses. 75% in architectural services. Commissioner Saltzman, perhaps some of those folks on the design commission or some of the other development services commissions. It's -- even the ones that are not starting up as state of Oregon certified businesses are committing to using subcontractors to increase the amount of money that is going to the folks that it doesn't sometimes go to. I'm very, very proud of this ordinance and thank you very much for all of your hard work. Aye.

Saltzman: Yes, this is an extremely good work and very high minority, women, emerging small business participation. Good work. Aye.

Hales: Well, it may be obviously, because resume building is important in any field, but having worked in the consulting and engineering firm for 10 years, giving these small firms this kind of traction of having actual project experience with a major governmental entity, it is very valuable to their future and dollar amount of current income is great. You keep the firm going. But its long-term value is enormous for these companies. That's why getting this kind of performance is what we want as a city and it does a -- great work. I'm going to vote for this only on the condition in the future parks commissioner brings an ordinance that changes mary ann's title from replacement bond manager to irreplaceable bond manager. Aye. [gavel pounded]

Hales: Thank you.

Hales: 1359.

Item 1359.

Hales: Commissioner Saltzman.

Saltzman: Thank you, mayor. This is an important tool to provide the chief that will ultimately improve her ability to manage the bureau and also reduce the use of overtime. With that I will turn it over to chief janssens.

Erin Janssens, Portland fire and Rescue: Good morning mayor and commissioners. This ordinance provide county relief days for the Portland fire rescue deputy chiefs in emergency operations. County day, day off provided to all of the firefighters who work on the front lines in the emergency operations in order to reduce their assigned work week

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from 56 hours to 51.69. So, Portland fire and rescue provided these days to emergency operations deputy chiefs until fiscal year 2013-14, when it was determined that the Kelly relief days were a negotiated benefit for local 43 members to which nonrepresented employees such as emergency operations deputy chiefs weren't entitled. The main reason for the determination was that providing the kelly relief days required the emergency operations deputy chief's position to be backfilled, resulting in substantial overtime costs. Accordingly, eliminating the kelly relief days resulted in a budget savings by reducing overtime costs. As a result of this change, deputy chief no longer receives scheduled time off every 13th shift like all of the other firefighters working on the line. But the impact of that was that there wasn't any corresponding change in their pay scale, meaning that the emergency operations deputy chiefs were working more hours, 216 to be exact, for the same rate of pay effectively decreasing the hourly rate. This also caused a wage compression between the emergency operations deputy chief and the battalion chiefs who report to them so that there was only a nine cents an hour differential between the two. Currently the top step base rate for emergency operations chief, nine cents more than the battalion chiefs, which is only a tenth difference between the two steps. For comparison, the differences between top steps between the other three ranks within Portland fire and rescue are 15% at each step. So, the proposal we have restores equity to the personnel, three in total, and restores them to the same schedule as all of the front line firefighters who they supervise. By using the 40 hour deputy chiefs to flex their hours and fill the periodic relief shift, the proposal also ensures that we don't incur overtime costs. I think it is a very good and sound proposal. So, the benefits, solves multiple problems, eliminates the wage compression between the deputy and battalion chief ranks, restoring the deputy chiefs to the same schedule they had prior to 2013-14 it ensures there is no additional overtime. And it provides a management tool for us with some incentive for people at that level to step up and take on additional workload.

Hales: Your explanation makes sense, but how is it that it has neither a positive nor a negative financial effect?

Janssens: What we did was we -- we have some 40-hour deputy chiefs, also non-rep and we are going to utilize those people on occasion when these kelly days come up. Only three members that they are having to cover. It is only every 13th shift. That is around every not quite a month and a half time, but approximately that time, and those other non-represented people are going to fill in for them and flex time out of --

Hales: 40 hour week --

Janssens: Yes, flex that time off.

Hales: All right. Get it.

Fritz: People on the 40 hours, doing something else on --

Janssens: Correct. There will be some impact, but I believe that we will be able to manage that internally.

Fritz: I know you have been doing an excellent job of managing the budget and staffing overall, which is now you're proposing to do something which was cited as a cut in previous administrations. I appreciate that. We are all quite used to getting paid less per hour than the people that we are directly supervise, our bureau of directors, for example. I'm presuming that the deputy chiefs don't actually get paid hourly, on salary, right?

Janssens: That's correct. They are not eligible for overtime. Already that is another issue battalion chiefs receive overtime and deputy chiefs routinely on a daily basis put in additional hours above and beyond. So, this reduction in the kelly days was really a significant blow to the moral of the employees who were already putting in hundreds of extra hours above and beyond that they're not compensated for. And then taking that small incentive and measurement of equity to those positions away was difficult.

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Fritz: Deputy Chief, eligible for management relief?

Janssens: No, because we -- that was taken away also because it requires overtime to backfill again.

Fritz: In the fire bureau, you do not give non --

Janssens: That was taken away at the same time that the kelly days were taken away because of the fact that managemently anybody that required overtime was taken away.

Fritz: That makes sense in effect we're restoring three days where in our bureaus, in my office, i'm allowed to give up two weeks of management leave. That makes sense, thank you.

Hales: Other questions. Thank you very much.

Janssens: Thank you.

Hales: Anyone want to speak on this item? Let's take a vote, please.

Novick: Appreciate the explanation. I first read this item I thought that kelly days was a former deputy chief being restored to former status. Aye.

Fritz: Thank you for the explanation. That makes it very clear, aye.

Saltzman: I appreciate the chief coming up with this proposal and I think it will improve morale without incurring additional overtime. Aye.

Hales: Thank you. Aye.

Hales: 1360.

Item 1360.

Hales: Commissioner Saltzman.

Saltzman: Thank you, mayor. Home buyer opportunity limited tax exemption program provides a 10-year tax exemption to low, moderate income home buyers making home ownership more affordable to families in Portland. Home ownership provides families with long-term stability. It ensures that children don't have to change schools as much and fosters generational wealth building. This program, along with our system development charge waivers are key tools in our toolbox for partnering with both the private and the nonprofit sector to create home ownership opportunities for low and middle income families. Each year, this body is required to set by state law to establish the sales cap under this program. And this morning, the Portland housing bureau is requesting that we set the sales price cap at \$310,000, which is equivalent to 100% of the area median price for -- median sale price for Multnomah County. We have Dory Van Bockel here to answer any questions that councilmembers may have.

Hales: Okay. Not sure that we have any. But we will have you available just in case. It looks like commissioner Novick has a question, please.

Novick: I have all sorts of questions. Thank you. One question is, is there an annual limit to the number of eligible homeowners that can participate in this program?

Dory Van Bockel, Portland Housing Bureau: Yes, this particular program has a limit on the number of homes that enter into the program. So, as far as builder applications that we accept each year, of 100, and then sold to home buyers.

Novick: How did we arrive at that limit of 100?

Van Bockel: That was part of the larger policy review of the tax exemption programs between the city and county and the schools that took place in 2012.

Novick: And how much -- so how many homes of this cost are built in a given year?

Van Bockel: We have fully utilized the cap over the last few years.

Novick: Increase the gap, more people would take advantage of it?

Van Bockel: That is very possible.

Novick: Described as part of an incentive to the development of affordable houses, I was curious about that, it seems that actually the developer doesn't make more money as a

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result of the property tax rate, the developer sells the house for whatever the house is, you know, worth, up to this limit.

Van Bockel: Right. However, with the sale price cap, it is an incentive to developers to build homes that are more affordable, rather than maximizing the cost and profit out of it. And when it is coupled with the system development charge exemption program, which has the same home buyer requirements, that is a more direct benefit to the developer that then works to have that result. Beneficial for everyone.

Novick: I understand how the fdc waiver benefits a developer, but I don't quite understand why it helps the developer that the property tax waiver given the developer won't be the one paying the property taxes.

Van Bockel: Being that home buyers already qualifying with the same criteria for the sdc exemption, it is another benefit to help people at that medium income level. There is also an income limit for the programs as well. And, so, by having that tax advantage as well, it helps someone who is at that low to moderate income level to qualify for the home. It helps to sell them more quickly than they might normally. And it is a hot market, of course, but as things ebb and flow, but even now, more of an advantage for a home buyer even in qualifying for a loan to have the advantage of the tax exemption too.

Novick: Clearly it makes it easier for somebody of moderate income to buy a house. I actually wasn't aware that this program existed. I'm rather excited to hear that it does. One thing that bothers me about the whole property tax system is that there is no progressivity to. You pay the same number of cents or thousands, whether a billion dollar house or \$300,000 house. And I wasn't aware that we had a creative way to give a property tax break to people buying lower cost houses. I would be curious to see -- analysis of looking at all of our property tax, sdc exemptions together, whether -- where this falls and whether we might want to possibly expand this program to cover more people. Commissioner.

Saltzman: You know, we definitely would love to expand it because it is so popular, as dory said. It was part of an agreement between the city, county, and school districts was the big look, right, in 2012? So, yeah, i'm certainly willing to have those conversations with the county. See whether -- you know, just as we had a conversation with the county to increase the multiple unit limited tax exemption. We can have this conversation because it is so popular and home ownership is so important.

Hales: I'm willing to assist in that, too. I think it is reasonable for us -- we have a housing state of emergency. It applies not only to renters but also to people trying to buy. It is not an easy market in which to do that. We have a couple of places in which we need to have a frank discussion with our other governmental partners, school districts and the county about decisions we might make that would affect overall taxation. One is the potential for forming a new urban renewal district to support the division Powell transit project and another might be this. But even if we do both of those things, even if we expands the halty and create that renewal area, we will only be clawing back, if you will, part of the windfall that we conferred on the county and school districts by the urban renewal reforms that we made last year. Both the general funds of both school districts and the county have been improved already by what we have done in reducing the scope of urban renewal. It is not like we are, you know, we're not really squeezing our partners, we're just blessing them a little less if we do these things, and i'm being a little playful here, but Multnomah county obviously shares our interest in housing affordability. I think everybody has a stake in taking another look at the question. Is this the right time to expand the availability of the program? I think it certainly is and we should have that conversation. I would be happy to help.

Saltzman: Yeah, a good framing of the issue to start that conversation.

Hales: Maybe the home for everyone committee can take up this agenda item.

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Fritz: Is the program only available for new construction or for sellers who already built houses?

Van Bockel: Program only by statute available for new construction, yes.

Fritz: I think commissioner novick's line of questioning as usual was a good one. There are some developers who are choosing not to maximize their profits apparently. It could be nice if we could publicize a list of the developers who participate in this program as certified good people.

Van Bockel: We do list all of the homes for sale on the web site.

Fritz: Does it list who built them?

Van Bockel: Yes.

Fritz: There should be, like a good housekeeping seal of approval.

Hales: Certified good people, I think that is a list anybody would want to be on.

Van Bockel: They would appreciate that as well.

Novick: As opposed to the dastardly developers --

Hales: One of each. I think we know which group will show up to accept their certificates. Other questions. Thank you very much. Good discussion. Appreciate this. Anyone want to speak on this item? Resolution, let's take a vote. Roll call.

Novick: As I said, delighted to find this program exists and appreciate the discussion. Aye.

Fritz: Good work. Aye.

Saltzman: Appreciate the discussion and we will explore if we can increase the number of homes that will qualify for this tax exemption, and appreciate the work of dory and andrea in all of the -- in bringing this forward. Aye.

Hales: Nice work. Aye. Comments?

Fritz: I wanted to invite everybody to the Kwanzaa celebration, city hall from 5:00 to 7:00 tonight. Kwanzaa a community celebration, not a religious holiday and everybody is welcome. I learned because of my great assistant, that December 30th is the 5th day of Kwanzaa and each of the days have a principle. Today's principle is purpose, which means to make our collective vocation, building and developing of our community in order to restore our people to their traditional greatness. I think that is a very good principle on which to end the last council meeting of the year.

Hales: I second that thought. Thank you very much. Happy Kwanzaa. Happy New Year. And we are adjourned.

At 10:27 a.m. Council Adjourned.